



Affordable Health Care for All Americans

Congressman Gil Gutknecht
First District, Minnesota
March 2005

Congressman Gutknecht introduces prescription drug
market access legislation with his House and Senate colleagues.

Top photo: Congressman Gutknecht
talks with Sleepy Eye residents
after presenting a USDA
check to the hospital.

Bottom photo: Congressman
Gutknecht conducts a press
conference on prescription drug
importation at the U.S. Capitol.



LOWERING HEALTH CARE COSTS

Dear Friend,

Many Americans are struggling to make ends meet as they battle personal health issues. Others are looking for ways to afford much-needed health care for a parent or a child. The rising costs of health care concern all of us.

When I first started working to lower health care costs by opening pharmaceutical markets and expanding health savings accounts, I didn't have a lot of company. My colleagues, after learning more about these important issues, are joining me to pass meaningful legislation.

I hope you'll review the enclosed information about these two cost-savings measures. Both utilize market forces. Feel free to contact me with any questions.

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CONGRESSMAN GIL GUTKNECHT
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515



PRESORTED STANDARD

MC

Gil Gutknecht

Open



Left photo: Congressman Gutknecht testifies before the National Governors' Association about the high cost of prescription drugs.

Right photo: Congressman Gutknecht listens to seniors' concerns at the Truman Nursing Home.

PRESCRIPTION DRUG MARKET ACCESS

The Problem

According to the Congressional Budget Office, American seniors will spend \$1.8 trillion dollars on prescription drugs over the next ten years. Americans often pay three, four, five...even ten times as much for the same prescription drugs than our friends in Canada and Europe. American taxpayers subsidize the pharmaceutical industry in two ways: through the research we fund and through our tax code. Why is it that American consumers are held captive in a market that forces them to pay significantly more for the products they help develop? According to the Congressional Research Service, no other product has the same protections on importation – not even heavily regulated industries such as chemicals and munitions.

This prescription drug cost comparison shows Americans pay **128% more** for these drugs than our friends in Germany.

Prices effective February 7, 2005

The Solution

I have again introduced a bill (H.R. 328) to open the market on prescription drugs. It allows pharmacists, wholesalers and individuals to import FDA-approved prescription drugs manufactured in FDA-approved facilities. The good news is there is growing momentum in the U.S. Senate with the introduction of companion legislation (S. 109). We have never been closer to passing meaningful, market access legislation in both bodies.

Myths and Facts

Myth #1: Rogue businesses will be allowed to export drugs to the U.S. with no way to verify if the drugs being exported are FDA-approved.

FACT: All exporters must register and make facilities subject to inspection. Part of this registration agreement is to export only qualifying drugs to authorized importers. The HHS Secretary has the right to refuse registration. Exporters must notify the Secretary of any recalls or changes in registration information.

“This is a new day in the debate over affordable pharmaceuticals. We have joined forces with members of the Senate to say that this is an idea whose time has come.”

-Congressman Gil Gutknecht

Safety Provisions

The pharmaceutical industry tells American consumers that importing prescription drugs isn't safe. They have few facts to support this. In truth, my bill makes the importation of prescription drugs safer for American consumers. The lanugage requires tamper-resistant packaging and chain of custody protection for any imported prescription drug marketed in the United States.

Myth #2: Under this bill, consumers can import drugs from any country in the world, even those without safe pharmaceutical systems.

FACT: The bill specifically states that only drugs from permitted countries and FDA-inspected facilities are covered.

Myth #3: Rogue internet pharmacies will send unapproved drugs into the U.S. and consumers will be unable to determine which sites are registered.

FACT: All personal importation will require a written prescription and only registered exporters may participate. The FDA will post on their website and through a toll-free number a list of registered exporters.

HEALTH SAVINGS ACCOUNTS

What are Health Savings Accounts?

In 2003, President Bush signed legislation creating Health Savings Accounts (HSAs). HSAs give workers the opportunity to save tax-free for routine expenses. This combines the security of insurance against major illness with the freedom of knowing you can take your account with you when you change jobs. These accounts can reduce health insurance costs for families by thousands of dollars annually while giving them more control over their own health care expenses.

Medicare Law

During the Medicare debate in 2003, I urged both the White House and congressional leaders to include HSAs as part of the overall bill. HSAs became law, giving millions of Americans tax-free choice and ownership advantages concerning their health care.

HSAs in the 109th Congress

Over the last six months, I have advocated expanding HSAs to more individuals, especially retirees. I am pleased by the support of my colleagues in Congress and the President. He recognized the need to expand personal health savings accounts in his State of the Union address. Lowering health care costs is critical. I will continue to work with my colleagues to expand the availability of HSAs to more Americans.



Top photo: Congressman Gutknecht visits with Minneapolis Firefighters about the implementation of HSAs.

Left photo: Congressman Gutknecht works to defeat amendments aimed at limiting HSAs, as noted in Health Care News (December 2004).

Metropolitan Pharmacy,
Frankfurt, Germany

Local Pharmacy
Rochester, Minnesota

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|----------|-----------------------|----------|
| \$35.72 | ←..... Celexa | \$85.46 |
| \$60.25 | ←..... Nexium | \$145.33 |
| \$19.31 | ←..... Norvasc | \$54.83 |
| \$34.33 | ←..... Zyrtec | \$73.02 |
| \$35.22 | ←..... Prevacid | \$146.47 |
| \$23.83 | ←..... Zocor | \$85.39 |
| \$50.62 | ←..... Actos | \$116.64 |
| \$54.98 | ←..... Zoloft | \$89.44 |
| \$102.67 | ←..... Imitrex | \$166.40 |
| \$38.64 | ←..... Clarinex | \$77.06 |

TOTAL=\$455.57

TOTAL=\$1,040.04

More information at www.gil.house.gov